

SUMMARY OF TRADE AND TARIFF INFORMATION

COMPLETED

35

Prepared in Terms of the Tariff Schedules
of the United States

PILLOWS, CUSHIONS, MATTRESSES
AND BEDSPRINGS; AND
NONTEXTILE FLOOR COVERINGS

TSUS Items 727.40(pt.),
727.45(pt.), 727.55(pt.),
727.82-727.86; and
728.05-728.30

SEE ERRATA PAGE FOLLOWING
COVER

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FOREWORD

Each Summary of Trade and Tariff Information is part of a series published by the United States International Trade Commission to provide information on conditions of competition between domestic and foreign products. This report, generally covering the period 1977 through 1981, is one of many being published in the current series of summaries.

This series provides information on product uses, the domestic industry, U.S. consumption, production, and trade, and the competitiveness of U.S. producers in domestic and foreign markets in each commodity area. The summaries are cast in terms of the Tariff Schedules of the United States (TSUS).

The current series will consist of approximately 250 individual reports. The Commission will issue updated statistical tables and industry status reports as appropriate for individual summaries. The overall program will run several years, ultimately covering all items of the TSUS.

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Pillows, Cushions, Mattresses and Bedsprings

Pillows, cushions, mattresses, and bedsprings: U.S. rates of duty, present and negotiated

TSUS or TSUSA item No. 1/	Description	Present : col. 1 rate : of duty 2/	Negotiated : col. 1 rate : of duty 3/	Present : col. 2 rate : of duty
	Furniture and parts:			
	Bedsprings:			
727.4020A	Of wood-----	8% ad val.	5.3% ad val.	40% ad val.
727.4520A	Of textile mate- rials, except cotton.	13.6% ad val.	7% ad val.	80% ad val.
727.5540A	Of other materials--	7.8% ad val.	4% ad val.	45% ad val.
	Pillows, cushions, mattresses, and similar furnishings:			
727.82	Of cotton-----	12% ad val.	6% ad val.	40% ad val.
727.86A	Other-----	11.6% ad val.	6% ad val.	40% ad val.

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences and that all beneficiary developing countries are eligible for the GSP.

2/ Rate in effect Jan. 1, 1982.

3/ Final rate negotiated under the Tokyo round of the Multilateral Trade Negotiations (MTN), to be achieved through 8 annual staged duty reductions effective Jan. 1, 1987.

Note.--For the statutory description, see excerpt from the Tariff Schedules of the United States Annotated (1982) (TSUSA) in app. A. App. A also contains a table showing the pre-MTN rates of duty and the MTN staged rates of duty. A concordance of the Tariff Schedules of the United States (TSUS) items included in this summary with related categories in production, export, and other import nomenclatures is found in app. B.

Description and uses

This summary covers pillows, cushions, mattresses, bedsprings or boxsprings, and similar furnishings which may be stuffed, or made of expanded, foamed, or sponge rubber or of plastics. Except for bedsprings, these articles may contain electrical heating elements, and all, including bedsprings, may be fitted with covers.

Pillows and cushions of cotton (TSUS item 727.82) and of other materials (TSUSA item 727.8610) generally have a cloth case and are stuffed with a soft material, principally synthetic fibers, feathers, cotton, or foam. In recent years, cotton and foam have become of increasingly less importance. Pillows and cushions are principally used for reclining or for resting or to support the head during sleep.

Mattresses of cotton (TSUS item 727.82) and of other materials (TSUSA item 727.8630) are generally rectangular pads of heavy cloth filled with some substance or material and used as or on a bed. The four principal types of mattresses are innerspring mattresses, which contain rows of steel coils sandwiched between layers of insulation and cushioning material; foam mattresses, made principally of polyurethane; water-filled and air-filled mattresses (pneumatic mattresses and similar inflatable articles are classified in TSUS item 790.30 and are not a subject of this summary).

Bedsprings of wood (TSUSA item 727.4020) and of textile materials (TSUSA item 727.4520) include all types of boxsprings and foundations and serve as support for the mattress or sleeping surface. Other similar furnishings (TSUSA item 727.8650) include heating pads, urethane covers, and other bedding articles.

U.S. producers

Approximately 10 manufacturers are involved in the domestic production of pillows, with the top 4 accounting for 50 to 60 percent of production. Most of these producers operate multiple plants, which are located throughout the United States; pillow production and sales are basically regional due to product bulkiness and the expense of packaging and shipping. Most pillow manufacturers produce other items such as comforters, all types of covers, pillow shams or decorative covers, and the like. Employment is less than 3,000 persons.

Cushions are manufactured by a variety of upholstered furniture producers as a natural extension of their product lines; the sale of cushions generally accounts for only a small share of each firm's total production. These manufacturers are located throughout the United States, with a concentration in the Middle Atlantic region. There were approximately 90,000 persons employed in the manufacture of upholstered household furniture in 1981; the number involved in the production of cushions is small, probably less than 5 percent of total employment.

The manufacture of pillows and cushions is a fairly labor-intensive process because of significant cutting and sewing operations; however, material costs account for over 50 percent of total costs. Because of the specialized nature of pillow production, most pillow manufacturers produce a complete line of pillows in all quality and price ranges. The majority of pillows are filled with some type of synthetic fiber, followed in terms of importance, by feather pillows and finally by foam pillows. The pillow industry generally sells directly to retailers, particularly large retail chains.

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Mattresses, bedsprings, and foundations are manufactured by approximately 950 establishments located throughout the United States, with extremely localized production due to freight and packaging expenses. Approximately 30,000 persons were employed in 1981 in the production of these items, up slightly from the number employed in 1977.

Mattress and bedspring manufacturers tend to be basically assemblers; they buy the component parts for the mattress or boxspring from approximately 250 suppliers, and assemble them in regional plants for sale to various retail outlets, principally furniture stores, department stores, and discount houses. The mattress industry frequently uses so-called waste or scrap products from the textile and cotton industries in the manufacture of all types of bedding supplies. Although material and labor costs are important, packaging and shipping expenses are extremely high and have resulted in the decentralization of the bedding industry.

U.S. consumption

Estimated annual apparent U.S. consumption of pillows, cushions, mattresses, and boxsprings increased from \$970 million in 1977 to over \$1 billion in 1979 (table 1). However, due to the slump in the building and housing industry, as well as the rise in interest rates and the recession, consumption fell to about \$944 million in 1980 and then to \$898 million in 1981. Overall, consumption fell by 7 percent from 1977 to 1981. The ratio of imports to consumption during the period was negligible, ranging from 0.2 percent in 1977 to 0.5 percent in 1981. Approximately 97 percent of total consumption is accounted for by mattresses and other foundations; pillows, cushions, and miscellaneous items account for the remainder.

U.S. production

U.S. producers' shipments of pillows, cushions, mattresses, and boxsprings increased in the period 1977-79, rising from an estimated \$979 million to \$1.1 billion, or by 11 percent. As a result of the housing slump, increased interest rates, and the recession, production fell by 16 percent from 1979 to \$914 million in 1981, reflecting an overall decline for the period 1977-81 of 7 percent (table 1).

U.S. production of mattresses and foundations was approximately \$894 million in 1981, whereas domestic production of other items covered herein is estimated at approximately \$20 million.

U.S. imports

Aggregate U.S. imports of pillows, cushions, mattresses, and boxsprings tripled in 1977-81, rising from about \$1.5 million to \$4.7 million (table 2). 1/ The principal sources of imports were Japan, Taiwan, and Canada. Because of the high costs of packaging and shipping the majority of

1/ Import data for 1977 do not include imports of bedsprings.

these articles, there is virtually no competition from imports. Imports consist primarily of pillows or other speciality items, with a negligible number of mattresses, bedsprings, or foundations. In 1981, \$1.7 million, or 36 percent of total imports, entered duty free under the Generalized System of Preferences. The majority of those items consisted of pillows and cushions of noncotton materials, principally from Taiwan and the Philippines.

U.S. exports

U.S. exports of pillows, cushions, mattresses, and bedsprings increased in the period 1977-81 from an estimated \$11.0 million to nearly \$20.2 million (table 1). ^{1/} However, for the period 1978-81, when export statistics are comparable, exports showed an increase of 66 percent, rising from \$12.2 million to \$20.2 million (table 3); still, exports accounted for only a negligible share of U.S. producers' shipments (2 percent in 1981). Because of its proximity, Canada was the number one market for U.S. exports, receiving 33 percent of total exports in 1981, and Mexico was number three, receiving 13 percent; Saudi Arabia received 16 percent of the exports, displaying their continued preference for Western consumer goods.

U.S. produced pillows, cushions, mattresses, and bedsprings are of high quality, but they are competitive principally in foreign markets that are located close to U.S. producers or where price is not the primary consideration, due to the enormous shipping and handling costs.

^{1/} Export data for 1977 include statistics for products not covered in this summary and have been estimated based on information supplied by industry sources.

Table 1.--Pillows, cushions, mattresses, and bedsprings: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

Year	Producers' shipments ^{1/}	Exports	Imports	Apparent consumption ^{1/}	Ratio of imports to consumption
	1,000 dollars				Percent
1977-----	979,500	^{1/} 11,000	^{2/} 1,478	969,978	0.2
1978-----	1,057,000	12,172	2,549	1,047,377	.2
1979-----	1,092,000	13,152	3,198	1,082,046	.3
1980-----	957,000	16,707	3,633	943,926	.4
1981-----	914,000	20,178	4,672	898,494	.5

^{1/} Estimated by the staff of the U.S. International Trade Commission from data supplied by industry sources.

^{2/} Excludes bedsprings.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

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Table 2.—Pillows, cushions, mattresses, and boxsprings: U.S. imports
for consumption, by principal sources, 1977-81

(In thousands of dollars)						
Source	1977 ^{1/}	1978	1979	1980	1981	
Japan-----	211	261	699	862	1,246	
Taiwan-----	39	105	342	843	1,205	
Canada-----	308	522	908	831	589	
Phil R-----	14	107	107	151	331	
Italy-----	112	187	196	232	312	
West Germany---	87	80	110	97	214	
United Kingdom--	282	340	285	116	107	
Netherlands-----	-	113	65	87	80	
All other-----	425	834	486	414	587	
Total-----	1,478	2,549	3,198	3,633	4,672	

^{1/} Excludes bedsprings.

Source: Compiled from official statistics of the U.S. Department of Commerce.

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Table 3.--Pillows, cushions, mattresses, and boxsprings: U.S. exports of domestic merchandise, by principal markets, 1978-81 ^{1/}

(In thousands of dollars)					
Market	1978	1979	1980	1981	
Canada	4,595	4,526	6,127	6,621	
Saudi Arabia	1,135	2,117	2,495	3,302	
Mexico	1,160	2,004	1,503	2,551	
Bahamas	740	856	907	673	
Hong Kong	169	171	444	431	
Bermuda	206	247	382	384	
Kuwait	177	126	428	368	
Argentina	17	61	429	22	
All other	3,973	3,043	3,992	5,825	
Total	12,172	13,152	16,707	20,178	

^{1/} Data for 1977 include statistics for products not covered in this summary and are not used here since their inclusion overstates exports for that year.

Source: Compiled from official statistics of the U.S. Department of Commerce.

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Nontextile Floor Coverings

Nontextile floor coverings: U.S. rates of duty, present and negotiated

TSUS item No. 1/	Description	Present col. 1 rate of duty 2/	Negotiated col. 1 rate of duty 3/	Present col. 2 rate of duty
	Linoleum:			
728.05A	Inlaid-----	9.5% ad val.	4.2% ad val.	42% ad val.
728.10A	Other-----	5.7% ad val.	4.2% ad val.	35% ad val.
728.15A	Felt-base floor coverings.	4.5% ad val.	3.7% ad val.	40% ad val.
728.20A	Floor coverings wholly of cork.	1.6¢ per lb (1%) 4/	Free	10¢ per lb (5.9%) 4/
728.25A	Floor coverings not specially provided for.	7.3% ad val.	5.3% ad val.	40% ad val.
728.30	If Canadian article and original motor-vehicle equipment.	Free		

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences and that all beneficiary developing countries are eligible for the GSP.

2/ Rate in effect Jan. 1, 1982.

3/ Final rate negotiated under the Tokyo round of the Multilateral Trade Negotiations (MTN), to be achieved through 8 annual staged duty reductions effective Jan. 1, 1987, except for item 728.25, for which the first staged reduction was effective July 1, 1980, the second, Jan. 1, 1981, and annually thereafter.

4/ For specific and compound rates, the ad valorem equivalent, based on the value of total imports in 1980 from most-favored-nation countries, is shown in parentheses.

Note.--For the statutory description, see excerpt from the Tariff Schedules of the United States Annotated (1982) (TSUSA) in app. A. App. A also contains a table showing the pre-MTN rates of duty and the MTN staged rates of duty. A concordance of the Tariff Schedules of the United States (TSUS) items included in this summary with related categories in production, export, and other import nomenclatures is found in app B.

Description and uses

The term "floor coverings" as used in this summary includes articles which, whether in the form of continuous sheets or made or cut into rugs, carpets, tiles, or other shapes, are suitable for use in homes, business establishments, institutions, vehicles, or elsewhere. Examples of the

products included are linoleum (TSUS items 728.05-.10); felt-base floor coverings (item 728.15); cork floor coverings (item 728.20); and vinyl asbestos tile, vinyl tile, sheet vinyl flooring, and asphalt and rubber tile (item 728.25). This latter category generally includes flooring known commercially as resilient floor coverings.

Linoleum embraces a covering consisting of oxidized linseed oil or other drying oils with added fillers such as wood flour, cork, resins, and color pigments, whether or not applied to a base of burlap, felt, or other material and whether or not cut or made into sizes for rugs, carpets, mats, tiles, tables or counter tops, or other articles. "Inlaid" as used in regard to linoleum, refers to linoleum having a design or pattern which extends vertically from the wearing surface through to the other surface or to the base, if one is present. For a number of years there has been little use of linoleum; however, it is still used to some extent in homes in the kitchen and on counter tops. Linoleum is not as durable or as stylish as most other flooring and tends to disintegrate on continuous contact with moisture.

Felt-base floor coverings embrace a flooring with a base of paper felt, usually asphalt saturated, and a wearing surface wholly of paints or enamels. Felt-base flooring is manufactured in sheets and is used mostly on a temporary basis, such as in apartment buildings. Since it is not usually cemented down, it can be rolled up and used again. As with linoleum, felt-base floor coverings are commercially insignificant.

Cork floor coverings are made from cork, a lightweight, spongy substance obtained from the bark of live cork oak trees, most of which are found in Spain and Portugal. Floor coverings of cork, though commercially insignificant, are used for soundproofing and as floor underlayment.

Resilient floor coverings are so named due to their ability to spring back to their original shape and thickness after impact of foot traffic or dropped objects. Resilient floor coverings, the principal types of which are discussed below, are by far the most commercially significant of all the products considered in this summary, accounting for more than 95 percent of total annual U.S. consumption.

Sheet vinyl flooring.--Sheet vinyl flooring contains layers of vinyl over backing and is generally manufactured in widths of 6, 9, or 12 feet, and lengths of 100 feet. The most popular size is the 6-foot strip. Sheet vinyl has a factory finish or permanent lacquer. The surface may be clear, translucent, opaque, or a combination of these with or without metallic accents. Sheet vinyl flooring, probably the most commercially significant resilient floor covering, is frequently used in homes for bathrooms, kitchens, and family rooms.

Vinyl tile.--Vinyl tile is composed of vinyl resins, plasticizers, fibers, and color pigment. It is a flexible product with high binder content and high gloss. Some vinyl tile surfaces may be a combination of clear, translucent, and opaque effects, with or without metallic accents. Vinyl tile, probably the most commercially significant resilient floor covering after sheet vinyl flooring, finds its principal use in the home--in children's rooms, kitchens, and bathrooms--as well as in commercial and business establishments. It is durable and resistant to scuffing and scratching.

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Vinyl asbestos tile.--Vinyl asbestos tile is made from asbestos fibers, fillers, pigments, and processing aids mixed with vinyl resins and plasticizers; it is low in binder content, and has a lower gloss than other types of vinyl floors. Vinyl asbestos tile is easy to maintain and is more oil resistant than some other types of flooring. Vinyl asbestos tile is used in schools and in the home, in kitchens, game rooms, and entrance ways. Though less expensive than other types of flooring, its use, though still fairly significant in some commercial applications, has been declining in recent years due to rulings by the Environmental Protection Agency (EPA) relating to its hazardous nature because of its asbestos content.

Asphalt tile.--Asphalt tile consists of asbestos fibers, fillers, pigments, and processing aids mixed with various binders. Gilsonite and asphalt produce the darker colors and cumar resins and hydrocarbon resins form the lighter colors. Asphalt tile has a somewhat porous surface which requires more wax than vinyl or rubber tile. Some asphalt tile is produced with a permanent factory finish. It is used mostly in basements and storage rooms, since, in the manufacturing process, it produces dull, unattractive colors. The use of asphalt tile, though steady in recent years, has been relatively insignificant. Like vinyl asbestos tile, the use of asphalt tile has been constrained in recent years due to rulings by the EPA.

Rubber tile.--Rubber tile consists of rubber, fillers, and pigments, along with stabilizers, and curing aids. It is a high gloss product that usually has no factory finish and requires less polish than more porous floorings. Rubber tile, which is cut into squares during the manufacturing process, is the forerunner of vinyl tile, ranks well behind sheet vinyl flooring and vinyl tile in commercial significance, and probably is less significant than vinyl asbestos tile. Rubber tile is frequently used in the home and in office areas of commercial establishments.

U.S. producers

In 1977, there were approximately 18 domestic firms, operating 24 plants, producing nontextile floor coverings. By 1981, though the number of producers remained unchanged, the number of plants had declined to 18. This contraction largely reflects the escalating price of oil, as well as cessation of certain operations because of declining profitability. Production is centered in the Northeast, principally in Pennsylvania, New Jersey, and New York. During 1980-81, five producers accounted for 85 to 90 percent of total output, with the largest firm, also the largest producer in the world, accounting for approximately 50 percent of total annual U.S. production. This producer also operates plants in Australia, Canada, and England.

Domestic producers concentrate their manufacturing efforts in the production of resilient floor coverings--principally vinyl tile and sheet vinyl flooring. Although several firms produce more than one type of resilient floor coverings, none produce all types. There is one producer of felt-base floor coverings and two producers that manufacture small quantities of cork floor coverings from imported cork. There is no domestic production of linoleum.

Of the five major producers, only one is involved solely in the manufacture of nontextile floor coverings. The remaining four firms also manufacture such products as carpeting, ceiling materials, industrial tapes, gaskets, and industrial pipe insulation. For two of these producers, the production of nontextile floor coverings accounts for about 45 to 50 percent of total output; for the remaining two, 1/ the production of nontextile floor coverings is minimal in each firm's total operation.

In 1981, total industry employment was approximately 10,000 employees, down from about 13,500 in 1977. Employees in the industry range from the unskilled (e.g., an assembly line worker) to the highly skilled (e.g., a designer or engineer). The industry is capital intensive and highly automated, with a high percentage of its total employment devoted to inspection to maintain quality control.

U.S. consumption

During 1977-80, apparent U.S. consumption of nontextile floor coverings—more than 95 percent of which consisted of resilient floor coverings, principally sheet vinyl flooring, vinyl tile and vinyl asbestos tile—increased annually from an estimated \$732 million to \$983 million, representing an average annual rate of increase of 10.2 percent. In 1981, consumption declined somewhat to about \$974 million, reflecting the economic downturn (table 4). The growth that occurred during the 5-year period beginning in 1977 reflects increased consumer demand for these floor coverings over carpeting, which is generally more expensive and less durable than nontextile floor coverings, as well as efforts by domestic producers to motivate consumers toward "do-it-yourself" installation by promoting the sale of simplified installation kits.

The share of apparent consumption provided by imports increased in each year during 1977-81, rising from 1.8 percent to 3.7 percent.

U.S. production

Paralleling domestic consumption, U.S. producers' shipments of nontextile floor coverings increased in each year during 1977-80, rising from an estimated \$820 million to \$1.1 billion, an average annual rate of increase of 8.9 percent (table 4). In 1981, such shipments remained at about \$1.1 billion. Virtually all production consisted of resilient floor coverings, principally sheet vinyl flooring, vinyl tile, and vinyl asbestos tile. There is very little domestic production of felt-base floor coverings, or those wholly of cork and none of linoleum. There has been a trend in recent years toward products of higher quality and greater versatility, and more durable products with exclusive features, such as wider flooring to avoid seams in installation. In the resilient flooring industry, emphasis has been geared toward home improvement and refurbishing and commercial and institutional buildings.

1/ In 1981, one of the principal producers sold its domestic floor covering operations to a Swedish firm that is reportedly continuing the domestic manufacture of nontextile floor coverings.

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U.S. imports

During 1977-81, aggregate U.S. imports of nontextile floor coverings increased annually, rising from \$12.9 million to \$36.1 million (table 5). Entries under TSUS item 728.25 in 1981 accounted for 89 percent of total imports, and those of linoleum, for which there is no domestic production, accounted for virtually all of the remainder, as shown in the tabulation below:

	<u>Value</u> <u>(1,000 dollars)</u>	<u>Percent of total</u>
Linoleum (item 728.05-.10)-----	\$3,698	10
Felt-base (item 728.15)-----	26	1/
Wholly of cork (item 728.20)----	63	1/
Floor coverings, n.s.p.f. (item 728.25) 2/-----	32,195	89
Canadian articles and original motor-vehicle equipment (item 728.30)-----	77	1/
Total-----	36,059	100

1/ Less than 0.5 percent.

2/ Largely resilient floor coverings.

Imports of sheet vinyl flooring and vinyl tile, accounted for about 82 percent of total entries of resilient floor coverings.

In 1981, the largest supplier of total imports, in terms of value, was Taiwan with a 34 percent share, followed by Canada, with 24 percent, and West Germany, 14 percent. Imports from Taiwan and West Germany consisted principally of vinyl tile, and those from Canada of sheet vinyl flooring.

Duty-free imports under the Generalized System of Preferences (GSP) amounted to \$12.9 million in 1981, more than a third of total imports. Taiwan was, by far, the major supplier of such imports, accounting for \$12.5 million, or 97 percent, of total GSP imports in that year.

Duty-free imports from Canada of original motor-vehicle equipment (item 728.30) have been small, amounting to \$77,126 in 1981. These imports consisted principally of floor mats for automobiles.

Domestic producers have certain advantages over foreign producers. These include more timely service, greater availability of products, better styles with a larger variety of colors and, in some instances, lower freight, energy, and raw materials costs. Further, domestic manufacturers are better able to coordinate flooring designs and colors by having their designers work closely with paint, textile, and furniture manufacturers.

For a number of years most European manufacturers have been subject to patent licensing restrictions that have prevented them from exporting resilient floor coverings to the United States. These patents allow certain European manufacturers to use a major U.S. manufacturer's methods in producing floor coverings, with the stipulation that none of these products will be exported to the United States. These patents will expire in 1984.

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U.S. exports

U.S. exports of nontextile floor coverings--equal to about 11 percent of producers' annual shipments during 1977-81--increased from an estimated \$101.0 million in 1977 to \$121.9 million in 1981, or by 21 percent (table 4).

The major markets during 1978-81 ^{1/} were Canada, Japan, Australia, Saudi Arabia, and Mexico (table 6). In 1981, Canada accounted for 42 percent of total exports; Japan, 11 percent; Mexico, 9 percent; and Saudi Arabia and Australia, 7 percent each. Floor coverings of various vinyl plastics (including sheets and vinyl asbestos tile) and of rubber accounted for more than 65 percent of the value of total exports.

Although the basic methods and techniques for producing nontextile floor coverings are well known and widely used by manufacturers throughout the world, U.S. manufacturers are generally able to provide a broader variety of products with a wider selection of attractive designs than foreign producers. Raw materials for domestic manufacturers are usually more easily and inexpensively obtained from U.S. petroleum and chemical companies.

^{1/} Data for 1977 are not available.

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Table 4.--Nontextile floor coverings: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

Year	Producers' shipments ^{1/}	Exports	Imports	Apparent consumption	Ratio of imports to consumption
	1,000 dollars				Percent
1977-----	820,000	^{1/} 101,000	12,884	731,884	1.8
1978-----	885,000	101,956	19,630	802,674	2.4
1979-----	970,000	102,827	23,801	890,974	2.6
1980-----	1,060,000	109,895	32,858	982,963	3.3
1981-----	1,060,000	121,884	36,059	974,175	3.7

^{1/} Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

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Table 5.--Nontextile floor coverings: U.S. imports for consumption, by principal sources, 1977-81

(In thousands of dollars)

Source	1977	1978	1979	1980	1981
China T-----	804	3,325	4,900	9,593	12,333
Canada-----	2,666	4,713	6,710	7,441	8,546
West Germany-----	2,332	3,768	2,881	5,655	5,039
Netherlands-----	1,701	2,344	2,642	2,643	3,030
Sweden-----	1,825	1,848	2,501	2,534	2,628
Japan-----	845	987	825	1,381	1,598
United Kingdom-----	2,067	2,035	2,146	1,929	1,374
Italy-----	242	206	764	1,025	994
All other-----	402	404	432	657	517
Total-----	12,884	19,630	23,801	32,858	36,059

Source: Compiled from official statistics of the U.S. Department of Commerce.

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Table 6.--Nontextile floor coverings: U.S. exports of domestic merchandise,
by principal markets, 1978-81

Market	1978	1979	1980	1981
Canada-----	44,293	41,019	43,151	51,136
Japan-----	13,179	15,046	15,277	13,481
Mexico-----	2,226	3,015	3,010	11,102
Saudi Arabia-----	2,462	6,537	6,088	8,728
Australia-----	8,660	8,444	8,489	8,655
United Kingdom-----	3,293	2,440	3,308	3,275
West Germany-----	3,266	5,411	5,900	3,102
Hong Kong-----	1,092	1,751	2,577	2,295
All other-----	23,487	19,164	22,095	20,110
Total-----	101,956	102,827	109,895	121,884

Source: Compiled from official statistics of the U.S. Department of
Commerce.

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Appendix A

Part 4, Subparts A and B, Schedule 7 of the Tariff Schedules of the
United States Annotated (1982) and Staged Rates of Duty

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Explanation of the rates of duty applicable to pillows, cushions, mattresses, and bedsprings; and nontextile floor coverings as shown in this appendix:

The rates of duty in rate of duty column numbered 1 are most-favored-nation (MFN) rates, and are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUSA. ^{1/} However, such rates would not apply to products of developing countries which are granted preferential tariff treatment under the Generalized System of Preferences (GSP) or under the "LDDC" rate of duty column.

The rates of duty in rate of duty column "LDDC" are preferential rates (reflecting the full U.S. MTN concession rate for a particular item without staging of duty reductions) and are applicable to products of the least developed developing countries designated in general headnote 3(d) of the TSUSA which are not granted duty-free treatment under the GSP. If no rate of duty is provided in the "LDDC" column for a particular item, the rate of duty provided in column numbered 1 applies.

The rates of duty in rate of duty column numbered 2 apply to imported products from those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

The GSP, implemented by Executive Order No. 11888 of November 24, 1975, applies to merchandise imported on or after January 1, 1976, and is scheduled to remain in effect until January 4, 1985. The GSP provides for duty-free treatment of eligible articles imported directly from designated beneficiary developing countries. Eligible articles are identified in the column entitled "GSP" with an "A" or "A*". The designation "A" means that all beneficiary developing countries are eligible for the GSP, and "A*" indicates that certain developing countries, specified in general headnote 3(c) of the TSUSA, are not eligible.

^{1/} The only Communist countries currently eligible for MFN treatment are the People's Republic of China, Poland, Romania, and Yugoslavia.

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G S P	Item	Stat. Suf- fix	Articles	Units of Quantity	Rates of Duty		
					1	LMDC	2
			PART 4. - FURNITURE; PILLOWS, CUSHIONS, AND MATTRESSES; NONTEXTILE FLOOR COVERINGS Subpart A. - Furniture, Pillows, Cushions, and Mattresses <u>Subpart A headings:</u> 1. For the purposes of this subpart, the term "FURNITURE" includes movable articles of utility, designed to be placed on the floor or ground, and used to equip dwellings, offices, restaurants, libraries, schools, churches, hospitals, or other establishments, aircraft, vessels, vehicles, or other means of transport, gardens, patios, porches, or similar outdoor places, even though such articles are designed to be screwed, bolted, or otherwise fixed in place on the floor or ground; and kitchen cabinets and similar cupboards, seats and beds, and sectional bookshelves and similar sectional furniture, even though designed to be fixed to the wall or to stand one on the other; but the term does not include -- (i) antique furniture provided for in part 11B of schedule 7; (ii) articles of concrete, of stone, or of ceramic ware (see parts 1 and 2 of schedule 3); (iii) lamps and other lighting apparatus (see part 3 of schedule 6); (iv) floor coverings (see part 2B of schedule 2, part 3 of schedule 3, and subpart 3 of this part); (v) blinds, shutters, curtains, screens, and shades (see parts 1E and 2B of schedule 2); (vi) furnishings provided for in part 3 of schedule 3; (vii) mirrors (see part 3 of schedule 3); (viii) waste paper baskets; (ix) game tables and equipment, or toys (see part 3 of this schedule); (x) safes (see part 3F of schedule 6); (xi) refrigerators, freezers, dishwashers, stoves, clothes washers or dryers, television sets, radios, and phonographs (see parts 3F, 4, and 5 of schedule 6); (xii) furniture specially designed for X-ray work (see part 2B of schedule 7); or (xiii) furniture specially designed for sewing machines (see part 4E of schedule 6).				

TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1982)

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SCHEDULE 7. - SPECIFIED PRODUCTS; MISCELLANEOUS AND NONENUMERATED PRODUCTS PART 4. - Furniture; Pillows, Cushions, and Mattresses; Nontextile Floor Coverings

7-4-A
727.02 - 727.56

C S P	Item	Stat. Suf- fix	Articles	Units of Quantity	Rates of Duty		
					1	LDDC	2
			Furniture designed for hospital, medical, surgical, veterinary, or dental use; dentists', barbers' and similar chairs with mechanical elevating, rotating, or reclining movements; and parts of the foregoing:				
A	727.02	00	Dentists', barbers' and similar chairs with mechanical elevating, rotating, or reclining movements, and parts thereof.....	X.....	4 9% ad val.	3.9% ad val.	35% ad val.
A	727.04	00	Other.....	X.....	7.3% ad val.	5.3% ad val.	40% ad val.
A	727.06	00	Furniture designed for motor-vehicle use, and parts thereof.....	X.....	3.7% ad val.	3.1% ad val.	25% ad val.
	727.07	00	If Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6).....	X.....	Free		
			Furniture, and parts thereof, not specially provided for:				
			Of unspun fibrous vegetable materials:				
A	727.11	00	Of rattan.....	X.....	16% ad val.		60% ad val.
A	727.12	00	Other.....	X.....	16% ad val.		60% ad val.
			Of wood:				
A	727.15	00	Best-wood furniture, and parts thereof.....	X.....	10.3% ad val.	6.6% ad val.	42.5% ad val.
			Other:				
			Chairs:				
			Folding:				
A	727.23	00	Director's chairs.....	No.....	7.3% ad val.	5.3% ad val.	40% ad val.
A	727.25	00	Other.....	No.....	7.3% ad val.	5.3% ad val.	40% ad val.
			Other:				
A	727.27	00	Of teak.....	No.....	6.6% ad val.	3.4% ad val.	40% ad val.
A	727.29	00	Other.....	No.....	7.3% ad val.	5.3% ad val.	40% ad val.
A	727.35	20	Furniture other than chairs.....		4.1% ad val.	2.5% ad val.	40% ad val.
			Convertible sofas, sofa beds, and similar dual-purpose furniture.....	X			
		40	Other.....	X			
A	727.40	40	Parts of furniture.....		8% ad val.	5.3% ad val.	40% ad val.
			Bedsprings.....	X			
A	727.45	40	Other.....	X			
			Of textile materials, except cotton.....		13.6% ad val.	7% ad val.	80% ad val.
		20	Bedsprings.....	X			
		40	Other.....	X			
			Of rubber or plastics:				
A	727.47	00	Of reinforced or laminated plastics.....	X.....	11.6% ad val.	6% ad val.	65% ad val.
	727.49	00	Furniture, if certified for use in civil aircraft (see headnote 3, part 6C, schedule 6).....	X.....	Free		65% ad val.
A	727.50	00	Other.....	X.....	2.4% ad val.		25% ad val.
	727.51	00	Furniture, if certified for use in civil aircraft (see headnote 3, part 6C, schedule 6).....	X.....	Free		25% ad val.
A	727.52	00	Of copper.....	X.....	5.3% ad val.	4.2% ad val.	45% ad val.
A	727.55	20	Other.....		7.8% ad val.	4% ad val.	45% ad val.
			Convertible sofas, sofa beds, and similar dual-purpose furniture.....	No.			
		40	Bedsprings.....	No.			
		60	Other.....	X			
	727.56	00	Furniture, except of leather, if certified for use in civil aircraft (see headnote 3, part 6C, schedule 6).....	X.....	Free		45% ad val.

Note: For explanation of the symbol "A" or "A" in the column entitled "CSP", see general headnote 3(c).

SCHEDULE 7. - SPECIFIED PRODUCTS; MISCELLANEOUS AND NONENUMERATED PRODUCTS
Part 4. - Furniture: Pill ws. Cushions, and Mattresses; Nontextile Floor Coverings

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7-4-A, B

727.82 - 727.86

G S P	Item	Stat. Suf- fix	Articles	Units of Quantity	Rates of Duty		
					1	LDDC	2
A	727.82	00	Pillows, cushions, mattresses, and similar furnishings, all the foregoing, whether or not fitted with covers and with or without electrical heating elements, fitted with springs, stuffed, or both, or of expanded, foamed, or sponge rubber or plastics:				
	727.86		Of cotton.....(369)	Lb.....	12% ad val.		40% ad val.
			Other.....		11.6% ad val.	6% ad val.	40% ad val.
		10	Pillows and cushions.....	X			
		30	Mattresses.....	X			
		30	Other.....	X			
Subpart B. - Nontextile Floor Coverings <u>Subpart B headnotes:</u> 1. This subpart covers certain hard-surfaced floor coverings and floor coverings not specially provided for, but does not cover — (i) floor coverings of unspun fibrous vegetable materials (see part 2E of schedule 2); (ii) floor coverings of textile materials (see part 3A of schedule 3); or (iii) floor coverings of fur or leather (see part 13B of schedule 7). 2. For the purposes of this subpart — (a) the term "<u>linoleum</u>" embraces a covering consisting of oxidized linseed oil or other drying oils with added fillers such as wood flour, cork, resins, and color pigments, whether or not applied to a base of burlap, felt, or other material, and whether or not cut or made into sizes for rugs, carpets, mats, tiles, table or counter tops, or other articles; (b) the term "<u>inlaid</u>" (item 728.05), as used with regard to linoleum, refers to linoleum having a design or pattern which extends vertically from the wearing surface through to the other surface or to the base, if one is present; (c) the term "<u>floor coverings</u>" embraces articles which, whether in the form of continuous sheets or made or cut into rugs, carpets, tiles, or other shapes, are suitable for use as floor coverings in homes, business establishments, institutions, vehicles, or elsewhere; and (d) the term "<u>felt-base</u>" (item 728.15), as used with regard to floor coverings, embraces a floor covering with a base of paper felt, usually asphalt saturated, and a wearing surface wholly of paints or enamels.							
Note: For explanation of the symbol "A" or "As" in the column entitled "GSP", see general headnote 3(c).							

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SCHEDULE 7. - SPECIFIED PRODUCTS; MISCELLANEOUS AND NONENUMERATED PRODUCTS

Part 4. - Furniture; Pillows, Cushions, and Mattresses; Nontextile Floor Coverings

7 - 4 - B

728.05 - 728.30

G S P	Item	Stat. Suf- fix	Articles	Units of Quantity	Rates of Duty		
					1	LDDC	2
			Linoleum:				
A	728.05	00	Inlaid.....	Sq. yd..	9.5% ad val.	4.2% ad val.	42% ad val.
A	728.10	00	Other.....	Sq. yd..	5.7% ad val.	4.2% ad val.	35% ad val.
A	728.15	00	Felt-base floor coverings.....	Sq. yd..	4.5% ad val.	3.7% ad val.	40% ad val.
A	728.20	00	Floor coverings wholly of cork.....	Lb.....	1.6c per lb.	Free	10c per lb.
A	728.25		Floor coverings not specially provided for.....		7.3% ad val.	5.3% ad val.	40% ad val.
		20	Vinyl asbestos tile.....	Lb.			
		30	Vinyl tile.....	Lb.			
		40	Sheet vinyl flooring.....	Lb.			
		65	Other.....	X			
	728.30	00	Any article described in the foregoing provisions of this subpart, if Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 5).....	X.....	Free		

Note: For explanation of the symbol "A" or "As" in the column entitled "GSP", see general headnote 3(c).

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Pillows, cushions, mattresses, bedsprings and nontextile floor coverings: Pre-MTN rate and staged rate modifications, by TSUS items, 1980-87

TSUS item No.	Pre-MTN col. 1 rate of duty 1/	Rates of duty 2/ effective with respect to articles entered on and after Jan. 1--							
		1980	1981	1982	1983	1984	1985	1986	1987
727.40-----	8.5%	8.5%	8.5%	8%	7.4%	6.9%	6.4%	5.8%	5.3%
727.45-----	17.5%	16.2%	14.9%	13.6%	12.3%	10.9%	9.6%	8.3%	7%
727.55-----	10%	9.3%	8.5%	7.8%	7.0%	6.3%	5.5%	4.7%	4.0%
727.82-----	15%	15%	15%	12%	9%	6%	6%	6%	6%
727.86-----	15%	13.9%	12.8%	11.6%	10.5%	9.4%	8.3%	7.1%	6%
728.05-----	10.5%	10.5%	10.5%	9.5%	8.4%	7.4%	6.3%	5.3%	4.2%
728.10-----	6%	6%	6%	5.7%	5.4%	5.1%	4.8%	4.5%	4.2%
728.15-----	5%	4.8%	4.7%	4.5%	4.4%	4.2%	4%	3.9%	3.7%
728.20-----	2.5¢/lb	2.2¢/lb	1.9¢/lb	1.6¢/lb	1.3¢/lb	0.9¢/lb	0.6¢/lb	0.3¢/lb	Free
728.25-----	8.5%	12/ 8.1%	7.7%	7.3%	6.9%	6.5%	6.1%	5.7%	5.3%
728.30-----	Free	Free	:	:	:	:	:	:	:

1/ Rate effective prior to Jan. 1, 1980.

2/ The symbol "%" indicates "percent ad valorem." The symbol "/" indicates "per stated unit of quantity."

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Appendix B

**Concordance of TSUS numbers, Schedule B numbers,
SIC numbers, SITC numbers, and CCCN numbers**

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Pillows, cushions, mattresses, bedsprings and nontextile floor coverings:
 TSUS item numbers, Schedule B numbers, SIC numbers, SITC numbers, and CCCN
 numbers included in this commodity group

TSUS item No.	Schedule B No.	SIC No.	SITC No.	CCCN (BTN) No.
727.40(pt.)-----	727.0800	2515(pt.)	821.22(pt.)	94.04(pt.)
727.45(pt.)-----	727.0800	2515(pt.)	821.22(pt.)	94.04(pt.)
727.55(pt.)-----	727.0800(pt.)	2515(pt.)	821.22(pt.)	94.04(pt.)
727.82-----	727.8420(pt.)	2392(pt.)	821.22(pt.)	94.04(pt.)
	727.8440(pt.)	2515(pt.)		
727.86-----	727.8420(pt.)	2392(pt.)	821.22(pt.)	94.04(pt.)
	727.8440(pt.)	2515(pt.)		
		3069(pt.)		
728.05-----	728.0700(pt.)	3996(pt.)	659.12(pt.)	59.10(pt.)
728.10-----	728.0700(pt.)	3996(pt.)	659.12(pt.)	59.10(pt.)
728.15-----	728.2300	3996(pt.)	659.12(pt.)	59.10(pt.)
728.20-----	220.0900(pt.)	2499(pt.)	633.02(pt.)	45.04(pt.)
728.25-----	728.2400	2499(pt.)	621.04(pt.)	39.07(pt.)
	728.3100	3069(pt.)	628.98(pt.)	40.08(pt.)
	728.3200	3079(pt.)	659.11(pt.)	40.14(pt.)
	728.3320	3292(pt.)	659.12(pt.)	46.02(pt.)
	728.3340	3996(pt.)	659.63(pt.)	48.12(pt.)
	728.3400		659.70(pt.)	59.02(pt.)
	728.3520		663.81(pt.)	59.10(pt.)
	728.3540		893.91(pt.)	68.13(pt.)
	728.3560		893.92(pt.)	
	728.3600			
	728.3720(pt.)			
	728.3740(pt.)			
728.30-----	728.3720(pt.)	3069(pt.)	621.04(pt.)	39.07(pt.)
	728.3740(pt.)		628.98(pt.)	40.08(pt.)
			893.91(pt.)	40.14(pt.)
			893.92(pt.)	

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982-B

ITC 1.11:7-4-19/erratum

UNITED STATES
INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436

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OFFICE OF THE SECRETARY

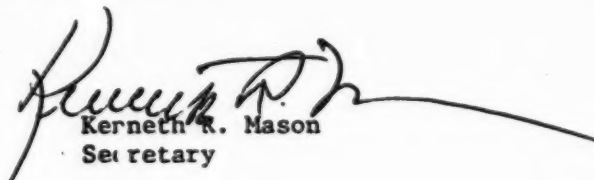
SUMMARY OF TRADE AND TARIFF INFORMATION

ERRATUM

In March 1982 the United States International Trade Commission published a summary on pillows, cushions, mattresses and bedsprings; and nontextile floor coverings (USITC Publication 841; control No. 7-4-19) as part of its series of summaries of trade and tariff information.

The page on the reverse side contains revisions of the information relating to vinyl asbestos tile and asphalt tile. In lieu of p. 11 of the summary, please insert the reverse of this page.

Please contact Ms. Doris Mebane (202-724-1730) of the Commission staff if we can be of further assistance.


Kenneth R. Mason
Secretary

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Vinyl asbestos tile.--Vinyl asbestos tile is made from asbestos fibers, fillers, pigments, and processing aids mixed with vinyl resins and plasticizers; it is low in binder content, and has a lower gloss than other types of vinyl floors. Vinyl asbestos tile is easy to maintain and is more oil resistant than some other types of flooring. Vinyl asbestos tile is used in schools and in the home, in kitchens, game rooms, and entrance ways. Though less expensive than other types of flooring, its use, though still fairly significant in some commercial applications, has been declining in recent years.

Asphalt tile.--Asphalt tile consists of asbestos fibers, fillers, pigments, and processing aids mixed with various binders. Gilsonite and asphalt produce the darker colors and cumar resins and hydrocarbon resins form the lighter colors. Asphalt tile has a somewhat porous surface which requires more wax than vinyl or rubber tile. Some asphalt tile is produced with a permanent factory finish. It is used mostly in basements and storage rooms, since, in the manufacturing process, it produces dull, unattractive colors. The use of asphalt tile, though steady in recent years, has been relatively insignificant.

Rubber tile.--Rubber tile consists of rubber, fillers, and pigments, along with stabilizers, and curing aids. It is a high gloss product that usually has no factory finish and requires less polish than more porous floorings. Rubber tile, which is cut into squares during the manufacturing process, is the forerunner of vinyl tile, ranks well behind sheet vinyl flooring and vinyl tile in commercial significance, and probably is less significant than vinyl asbestos tile. Rubber tile is frequently used in the home and in office areas of commercial establishments.

U.S. producers

In 1977, there were approximately 18 domestic firms, operating 24 plants, producing nontextile floor coverings. By 1981, though the number of producers remained unchanged, the number of plants had declined to 18. This contraction largely reflects the escalating price of oil, as well as cessation of certain operations because of declining profitability. Production is centered in the Northeast, principally in Pennsylvania, New Jersey, and New York. During 1980-81, five producers accounted for 85 to 90 percent of total output, with the largest firm, also the largest producer in the world, accounting for approximately 50 percent of total annual U.S. production. This producer also operates plants in Australia, Canada, and England.

Domestic producers concentrate their manufacturing efforts in the production of resilient floor coverings--principally vinyl tile and sheet vinyl flooring. Although several firms produce more than one type of resilient floor coverings, none produce all types. There is one producer of felt-base floor coverings and two producers that manufacture small quantities of cork floor coverings from imported cork. There is no domestic production of linoleum.